HAK Scowcroft L.L. ADMINISTRATION REQUESTS
SHELVING OF LIBERAL
TRADE WITH HOSCOW

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RUSSIAN TRADE

WASHINGTON (AP)-THE NIXON ADMINISTRATION URGED CONGRESS TODAY TO TEMPORARILY SHELVE PRESIDENT NIXON'S RECOMMENDATION TO LIBERALIZE TRADE WITH THE SOVIET UNION.

PETER FLANIGAN, NIXON'S CHIEF ADVISER ON FOREIGN ECONOMIC POLICY, EMPHIZED THAT THIS WAS A TEMPORARY POSITION WHICH WOULD CHANGE IF A SATISFACTORY PEACE SETTLEMENT IS REACHED IN THE MIDDLE EAST. WEZOGPES OCT 29

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FLANIGAN ALSO URGED DURING AN APPEARANCE BEFORE A SENATE BANKING SUBCOMMITTEE THAT CONGRESS DROP ANY MOVES TO TIE ANY LIBERALIZATION IN TRADE WITH THE SOVIET UNION TO A REQUIREMENT THAT THE SOVIET UNION ALLOW FREE EMIGRATION BY JEWS AND OTHER SOVIET CITIZENS.

"WE THINK IT IS INAPPROPRIATE AT THIS TIME TO DEAL WITH THESE ISSUES," FLANIGAN TOLD THE SUBCOMMITTEE. "IT IS CLEAR THAT A SETTLEMENT IN THE MIDDLE EAST DEPENDS ON COOPERATION WITH RUSSIA."

PRESIDENTS NIXON HAS ASKED CONGRESS TO GIVE HIM AUTHORITY TO

EXTEND MOST FAVORED NATION TREATMENT IN TRADE
MATTERS. THIS WOULD ENTITLE PRODUCTS FROM THE SOVIET UNION TO THE
LOWEST IMPORT DUTY AVAILABLE TO ANY OTHER NATION WITH WHICH THE
UNITED STATES HAS TRADE RELATIONS.

SEN. HENRY M., JACKSON HAS PROPOSED AN AMENDMENT W

EXTEND MUST FAVORED NATION TREATMENT TO THE SOVIET UNION IN TRADE MATTERS. THIS WOULD ENTITLE PRODUCTS FROM THE SOVIET UNION TO THE LOWEST IMPORT DUTY AVAILABLE TO ANY OTHER NATION WITH WHICH THE UNITED STATES HAS TRADE RELATIONS.

SEN. HENRY M. JACKSON HAS PROPOSED AN AMENDMENT WHICH WOULD PROHIBIT THE PRESIDENT FROM GRANTING THE MOST FAVORED NATION STATUS TO THE SOVIET UNION UNLESS HE DETERMINED THAT THE SOVIET UNION IS ALLOWING FREE EMIGRATION

No Objection To Declassification in Full 2011/05/02: LOC-HAK-187-3-12-8